



CITY COUNCIL CONSENT ITEM

CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Approval of a resolution authorizing the execution of a purchase order with SealMaster Houston for fog seal equipment, expenditure of the required funds, and execution of all applicable documents by the City Manager

DATE: January 18, 2024

DEPARTMENT: Finance

PRESENTED BY: Consent Item – Clayton Hoelscher, Procurement Manager

INTRODUCTION/BACKGROUND:

The City budgeted \$100,000 for the purchase of fog seal equipment. Fog seal is a single application of emulsified asphalt to an existing asphalt surface. This treatment is meant to renew weathered asphalt, improve appearance, seal minor cracks and surface voids, as well as prevent moisture from penetrating into the existing asphalt. Treating streets with this application prolongs the pavement life and prevents more extensive repairs in the future. Historically, the City has hired a contractor to perform this work. Purchasing this equipment will allow for the City to insource the fog seal treatment, saving approximately \$50,000 in street maintenance costs each year.

The City intends to purchase this equipment through SealMaster Houston by utilizing the HGACBuy Purchasing Cooperative. As a member of the purchasing co-op, the City can utilize pricing that has been competitively bid on a larger scale. This also fulfills the City's competitive requirements.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Priority 3.4 of the Strategic Action Plan to Enhance and Ensure Continuity of Reliable Roadway Improvement Initiatives.
- Utilizing the purchasing cooperative allows the City to take advantage of pricing competitively bid on a larger scale. It also complies with competitive procurement requirements.
- Insourcing the fog seal treatment will save approximately \$50,000 in street maintenance costs each year and provide the City with additional flexibility for making repairs.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

The City budgeted \$100,000.00 this fiscal year for this equipment. The cost for this purchase is \$103,714.54. Savings from other purchase are available to cover the difference of \$3,714.54.

LEGAL ANALYSIS:

Legal has reviewed and approved the resolution as to form.

RECOMMENDATION/PROPOSED MOTION:

Consent Item – I move to approve a resolution authorizing the execution of a Purchase Order with SealMaster Houston for fog seal equipment in the amount of \$103,714.54